



Roland W. Burris

Comptroller
State of Illinois

July 7, 1989

201 State House
Springfield, Illinois 62706
217/782-6000

PAYROLL BULLETIN
(5-89)

TO: All State Agencies, Departments, Boards, Commissions
and Universities

SUBJECT: Illinois State Income Tax Withholding

By the terms of Senate Bill 169, the withholding rate for Illinois Income Tax is to be adjusted from 2½% to 3% for all wage payments made after June 30, 1989, but before June 30, 1991.

Therefore, beginning immediately, the withholding rate on vouchers should be calculated at 3%. The Comptroller's Office will recalculate pre-lists to reflect this new rate for agencies which do not submit vouchers on magnetic tape. This computation will be based upon the exemptions reflected on the vouchers. In those cases where the employee has elected special tax withholding or where there will be changes in trailer records, it is each agency's responsibility to make these changes.

In order to prevent delays in the processing of payrolls, the Comptroller's Office will accept payroll vouchers with Illinois Income Tax withholding at the 2½% rate until July 11, 1989. All payroll vouchers received after July 11, 1989 must reflect Illinois Income Tax withheld at the 3% rate. Please note that this requirement also applies to persons paid on C-02 Vouchers.

Questions regarding this bulletin should be referred to Dan Steven or Nancy Smith at (217)782-4758.

Sincerely,

Larry D. Roth
Director, State Accounting